

**DRAFT Action/Summary Minutes
Regular City Council Meeting
City Council Chambers
Tuesday, May 11, 2010, 4:30 p.m.**

1. **Call to Order/Pledge of Allegiance:** Mayor Adams called the meeting to order at 4:30 p.m.
 - **Reading of City's Vision Statement:** Councilor Colquitt read the City's Vision Statement.
2. **Roll Call:** Mayor Rob Adams, Vice Mayor Cliff Hamilton, Councilor Nancy Scagnelli, Councilor Dan Surber, Councilor Mark DiNunzio, Councilor Jerry Frey and Council Pud Colquitt.

Staff present: City Manager Tim Ernster, Assistant City Manager Alison Zelms, Community Services Director Andi Welsh, City Attorney Mike Goimarac, Associate Engineer Andy Dickey, Commander Ron Wheeler, Associate Planner Kathy Levin, Director of Public Works Charles Mosley, Assistant Director of Community Development Audree Juhlin, Development Services Supervisor Jim Windham, City Clerk Randy Reed and Recording Secretary Alison Carney.

3. **Summary of Current Events by Mayor/Council/City Manager.**

Tim Ernster stated Ray Cota will be starting as police chief July 5.

Mayor Adams stated that's great news. Ray was the top pick by just about everyone who talked to him.

Vice Mayor Hamilton stated two of the three public sessions for the Community Plan have been held. Attendance has been really good. The next one is Thursday, May 13, at St. Andrew's Church at 6:00 p.m.

Councilor Surber stated he attended the Community Plan Update last night. There was good feedback. The Blue Grass Festival ended with an all-day festival Sunday at Los Abrigados. Those types of events bring the tourists in and our community together. We've seen a segment of community members on SR89A asking for help. He tried to get it on tonight's agenda. He starting asking last week to get the dialog started. The bill is very divisive. He felt it's the city's job to start the dialog. We have a meeting tomorrow. His motivation was to get it here as soon as possible because we need to have discussion and let the people be heard. He urges Council and incoming Council to oppose SB1070.

Mayor Adams stated on April 28 and May 4 we had our first For Our City meetings. That's about bringing the faith community together on issues that are common to us in our community. We decided to take on issues that have arisen as a result of the economic downturn. Next we're going to bring in representatives from the Old Town Mission. On April 30 he did a ribbon cutting at the Hummingbird House. On May 1, we had National Day of Prayer. On May 7, we had Breakfast with the Mayor at Poco Diablo. May 7, was First Friday. Councilor Surber brought up the Chamber Music Festival. Mayor Adams spoke there and asked how many people there were from out of town. 70% of the people there were from out of town. On May 12, Sedona Chamber of Commerce Service Day at the Uptown Visitor Center. On May 18, we're going to start up Mayor's Lunch again. It will be on the third Tuesday of every month. The next one will be at

Hiro's at the Hyatt. On May 21, we'll have Good Morning Arizona at Los Abridados. Also on that day, the city will host the State Transportation Board Meeting. On May 22, from 2-4 p.m. we'll give out two Historic Preservation plaques to two homes in Sedona.

No legal action was taken.

4. Reports and discussion on Council assignments.

Vice Mayor Hamilton stated the Verde Valley Land Preservation Institute has been struggling to get things done. The Coconino Plateau Water Advisory Committee is looking way out in the future about future water supplies.

Councilor Surber stated the Housing Commission met this past week. The majority of the discussion was on the Community Plan Update. They want to show people that there's a need for affordable housing in Sedona. They came out with a new Accessory Dwelling Unit information packet. The Public Works Advisory Committee is looking for direction from staff. They're going to have a meeting May 18 from 8-10 a.m. in the Vultee. It was a city manager committee, but they're going to try to move to Council-driven.

Mayor Adams stated on April 28 we had a Substance Abuse Coalition meeting. On the 4, 6 and 7 of last week we had budget sessions, which is one of the most difficult times for us Councilors. We've been presented with a balanced city budget. It appears as though the city won't have to dip into reserves this year as well. That's an extraordinary accomplishment give the economic challenges. Congratulations to staff and Council for doing a good job managing the budget. On the 10, 12 and 13 of May are public sessions for Community Plan updates. They will determine where we'll go as a community in the next 10 years. On May 12, we'll have another budget session. On May 14 he'll go to League of Cities and Towns executive board meeting. We'll talk about SB1070, it looks as though the League will be in opposition. On May 19, NAIPTA will have a meeting. On May 21, we'll have the Greater Arizona Mayor's Association meeting in Flagstaff.

No legal action was taken.

5. Public Forum: Limit of three minutes per presentation. This is a time for the public to comment. Council Members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. 38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.

Mayor Adams opened the public forum at 4:50 p.m.

Mary Anne Mills, Sedona, thanked Council to take the time to consider this and Councilor Surber. She understands he's working on a proclamation to say the City is against 1070. She may be wrong. We have many people in our city who live here and work hard. We have an obligation as a nation to provide a path to citizenship. It's detrimental to our city.

Peggy Chaikin, Sedona, thanked Council and Councilor Surber for bringing up 1070. Since tomorrow's meeting won't have the full Council in attendance she suggests they have another meeting where it can be discussed by all Councilors. Please consider the impact of the law on our

economy, our schools, our young people, the cost of enforcing the law and the cost of lawsuits for enforcing the law. The process of applying for legal status can take years to complete.

Bobbie Surber, Sedona, stated a few of the speakers will speak in their native language and a translation will be provided. How do we determine a reasonable attempt has been made? Who will we ask to show citizenship? Perhaps it will be Councilor Surber. He doesn't have an accent, yet we're proud of his heritage. Perhaps he's a reasonable suspect. Perhaps our daughters or granddaughters will be a reasonable suspect. Or perhaps it will be some of my close friends. Perhaps it's my dear friend Maria, who was brought to this country as a small child. SB1070 promotes racial profiling and has led to racial division in our community. We are better than this bill. It's painted Arizona as racist. It will continue to tear families apart. She asks this Council to join the others that have spoken out against the bill. If we don't speak out now, where will this lead? She suggests we are better than SB1070. Please help us now.

Marissa Surber, Sedona, stated she came to talk about the effects the bill will have on the community. She knows illegal immigration has become an issue and she doesn't have answers for it, but SB1070 isn't the answer. Everyone can agree that an arrest made for a reasonable cause can target the Latino community. Worse is what it will do for the families. She's seen many friends and peers forced to move out of the country although they were born here or lived here since they were infants. America is their home. She's always encountered little racial tension in her schooling. Since the bill has passed the racial tension has multiplied. It's now acceptable to say racial slurs. It's dividing the schools, family, friends and the community. We need to take action against this bill. Racial profiling and discrimination is not the solution.

Linda Martinez, Sedona, stated she represents Northern Arizona Interfaith Council. We work with churches for dignity for all. We've stood before you many times. NAIC has worked with our affiliate organizations for 18 months on comprehensive immigration reform. This bill does nothing to keep our borders safe. The Catholic bishops across the U.S. have slammed the law, along with hundreds of pastors and rabbis throughout our state and country. She also speaks to you as a business owner. SB1070 purports to address the failure of government to enforce the law and make us safer, it does not. It codifies racial discrimination. Because she can't be here tomorrow she asks them to take a position against the Draconian law.

Maria G. Nelson, Cottonwood, stated she's lived here for more than 20 years. She's a mother of two. She's taught her daughters to respect this country. She asks whoever has the power to help us with this law. She speaks for her community. The Hispanic people who are here illegally don't have papers it's true but the IRS give us papers to pay taxes. We want peace in this country and this state.

Natalia Molina McKendry, stated she speaks as a member of St. John Vianney. She's the chair of the Cultural Diversity of the Verde Valley. In light of SB1070 and all that's taking place, she wants to emphasize that this is a real opportunity for our community, state and nation to find a solution to immigration reform. She thanked Councilor Surber for bringing this to the table. She thanks Mayor Adams and Jim Driscoll for communicating with the Hispanic community at St. John Vianney before the bill was signed. She hopes for a resolution that's fair, just and supports a robust and thriving economy.

Patricia Avila, (read in Spanish and handed out an English version): *"Mr. Mayor, if you were to ask me why I am here today, I would say that I am here today representing the Latino community looking*

for your support to revoke SB1070. I request immigration reform that is just, dignified and free of racial profiling. Mr. Mayor, we are human beings, not criminals. We are hardworking people that come to do work that others do not want to do. We are people that want to contribute to the development and the economy of this country. Nevertheless, some treat us with racism, humiliation, and we get paid as if our work were not worth much. We are people that in order to have a middle income, we work two or three jobs to survive and not just to live. Mr. Mayor, we have had enough with the barriers that are put up day after day against immigrants. We have had enough with Latinos being intimidated. And we have had enough with the psychological terrorism that has been caused by Governor Brewer and Sheriff Arpaio, who in an effort to further their political careers, do not focus on the best interests of Arizona nor the country. For example, when the Governor signed the anti-immigration law SB1070, she ignored the heritage of Latinos in Arizona, further hurting and damaging the economy and the advancement of this state and of the country. According to the Governor, in television interviews, she does not have a response to "what does an illegal look like." And Sheriff Joe Arpaio wants to enforce laws when he himself does not abide by the laws placed upon him as he is at this very moment the object of federal investigation for abuses of power. Enough with Arizona being seen as a national embarrassment. Mr. Mayor, I love this country and I contribute to this country with my work. I came to this country 12 years ago with many dreams of a better life. I have worked in everything, Mr. Mayor. I have worked in the fast food industry, housekeeping, waitressing, hostess, substitute teacher for children of special needs (for which I have a certificate as a "Child Care Professional.") Presently, I work as a cook in a deli where I cook French, Chinese, Japanese, and when I cook, my race and my language ability are not an issue. Thank you for your time."

Kaih King, VP of the Cultural Diversity Council. Cultural diversity creates the beauty of Arizona. The interaction of many of us is so vital to many of us. Our salute to our flag said 'Liberty and justice for all' and she believes in that pledge. It's what we're for that counts, not what we're against. She got so many e-mails from people all around the world asking what's happening in Arizona. They sign in this bill the same time they legalize to bring guns into bars, open bars earlier on Sundays and legalize sparklers.

Mayor Adams stated he's moved by the letter from Patricia and he read it in English.

Mayor Adams closed the public forum at 5:13 p.m.

Councilor Scagnelli asked Mayor Adams why it wasn't put on tonight's agenda.

Mayor Adams stated staff didn't have time to prepare to make the presentation. There is a lot of misunderstanding and misinformation on what this bill is all about. There's a lot of discussion between city and county attorneys in terms of what this means. He feels as though it's premature to have this as a topic for discussion. He proposed putting it on the agenda May 20. He feels it's premature and he still feels that way. That's not the reason he's not showing up tomorrow. He had a previous obligation. And it's the same thing for Vice Mayor Hamilton and Councilor DiNunzio.

No legal action was taken.

6. Awards and Proclamations:

a. Awards:

i. Plaque presentations to outgoing council members

Mayor Adams stated he just read an article Councilor Colquitt wrote about her service to the city. Her story is similar to these other councilors.

Councilor Colquitt stated she served for six years at this.

Mayor Adams stated there's nothing we can do to adequately recognize folks who served for the city. It's a tough, thankless job. No matter what you do you'll have 50% of the people who'll be mad at you so you just do the best you can. After you're done with your service most Councilors can say that. He served with most of them for four years. We've had our differences, but that's what it's all about. Sometimes a vote is taken and you move on, sometimes you don't move on and you've seen that too. There are times you take it personally and times you move on. He respects the attitude and the stand that all the Councilors have taken. He really respects the service they've done for this community. He thanked all four Councilors for serving with him and for serving the community.

b. Proclamations:

i. Mayor's Support of United States Department of Transportation's Pedestrian and Bicycle Policy Initiative

Whereas, last month United States Department of Transportation Secretary Ray LaHood issued a Policy Statement on Bicycle and Pedestrian Accommodation Regulations and Recommendations; and Whereas, this policy offers an unprecedented level of support for pedestrian and bicycle needs, and in it Secretary LaHood calls on state and local government agencies to adopt similar policy statements; and Whereas, Secretary LaHood's policy states in part that "Every transportation agency, including the Department of Transportation, has the responsibility to improve conditions and opportunities for walking and bicycling and to integrate walking and bicycling into their transportation systems; and Whereas, because of the numerous individual and community benefits that walking and bicycling provide – including health, safety, environmental, transportation, and quality of life – transportation agencies are encouraged to go beyond minimum standards to provide safe and convenient facilities for these modes," now, therefore, I, Rob Adams, Mayor of the City of Sedona, Arizona, on behalf of the Sedona City Council, do hereby proclaim support for this pedestrian and bicycle policy.

Mayor Adams stated we'll get a designated bike lane when the SR 89A overlay occurs. Sedona is committed to becoming bike friendly.

Doug Copp thanked the city for the proclamation. It's appropriate that this proclamation is signed the month of May. SR179 is wonderful and we'll have the same thing in Sedona a year from now.

ii. Historic Preservation Month

Whereas, historic preservation is an effective tool for managing growth, revitalizing neighborhoods, fostering local pride and maintaining community character while enhancing livability; and Whereas, historic preservation is relevant for communities across the nation, both urban and rural, and for Americans of all ages, all walks of life and all ethnic backgrounds; and Whereas, it is important to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped us as a people; and Whereas, "Old is the New Green!" is the theme for National Preservation Month 2010, co-sponsored by Sedona Historic Preservation Commission and the National Trust for Historic Preservation, now, therefore, I, Rob

Adams, Mayor of the City of Sedona, Arizona, on behalf of the Sedona City Council, do hereby proclaim May 2010, as National Preservation Month, and call upon the people of Sedona to join their fellow citizens across the United States in recognizing and participating in this special observance.

Brynn Unger stated we're going to have an event this month on May 22. We're going to have two ranch houses declared historic landmarks. They're incredible properties.

Motion: Councilor Scagnelli moved to approve the proclamations. Seconded by Councilor Frey. Vote: Motion passes unanimously with seven (7) in favor and zero (0) opposed.

7. **Consent Items: The consent portion of the agenda is a means of expediting routine matters that must be acted on by the Council. All items approved will be done by one non-debatable motion passed unanimously. Any member of the Council, staff or public may remove any item for debate. Items removed from the consent portion may be acted upon before proceeding to the next agenda item.**

- a. **Approval of Minutes:**
 - i. April 27, 2010
- b. **Liquor License(s):**
 - i. **Approval of an Application for a Special Event Liquor License for a fundraiser for the Northern Arizona Interfaith Council. Sunday May 23, 2010 at St. Andrews Church, 100 Arroyo Pinon Dr.**
- c. **Approval of a contract with the Sedona Swim Team for use of the Sedona Community Pool.**
- d. **Approval of Yavapai Downs off-track pari-mutuel wagering license for Los Abrigados Resort & Spa.**
- e. **Approval of Gerhard Mayer to serve a two-year term on the Parks & Recreation Commission until December 31, 2012.**
- f. **Approval to appoint Judge Paul Julien as additional Magistrate Pro Tempore.**

Motion: Councilor Colquitt moved to approve the Consent Agenda. Seconded by Councilor Surber. Vote: Motion passes unanimously with seven (7) in favor and zero (0) opposed.

8. **Discussion/recommendations regarding Wastewater Effluent Disposal and Land Use Task Force (WEDLU) Final Report.**

Anita MacFarlane, stated she's sorry we can't take action this evening. She thanked staff, and Dave Sobeck with Carollo Engineers. In July 2008, council appointed WEDLU. Each member of Council appointed a member. We have one member of the committee who doesn't agree with the report. WEDLU was to evaluate for managing the effluent and consider possible land use options. It became clear that it wasn't going to be possible to talk about the land use options until we solve the effluent management problem, so we put that aside. We have a list of some things for land use that have been recommended, but we won't recommend any of those tonight. The plan is at about

1.2 million gallons of effluent today and can manage up to 1.6 million gallons per day. Final build out would be 2 million gallons/day. The city contracted with Carollo Engineers. This turned out to be much more complicated than she first imagined. With Carollo's expertise we looked at effluent injection and recharge, direct discharge to the Verde River and only the Verde River. ADEQ won't allow additional input to Oak Creek. We looked at constructed wetlands. We looked at mechanical evaporators and the sale of water credits. Carollo's memorandum #1 is about whether we could store or bank our water credits. If we decide to go that route we'd be able to bank the credits and possibly sell them in the future or keep them for our use. Yavapai County WAC says we may come to a deficit here. Memorandum #2 talks about the quality of effluent required for wetlands or injection. In order to do injection and the wetlands we'd have to upgrade the plant to A+. Right now we have B+. Memorandum #3 is the possible injection option. We have learned we cannot check on the injection without upgrading the plant. We can't use our B+ water to look into injection. It also recommends we develop a first-phase wetlands. No one wants wetlands on this property more than she does. But in order to do that we need additional information. We'd need to study the types of plants that grow best, how much water we're actually putting in and the size we'd need. We'd also need to develop a weather station there. We want to make sure we have the best science available. Carollo has developed a possible funding list on where we might get funding help for this. In order to do that most require at least a basic plan. That's why it's important to do the first phase wetlands so we can have the understanding, develop the plans and then go out for funding. The list of funders is on page 187. WEDLU recommends the development of the first phase of wetlands and determination of injection. If we get the 1.6 million gallons up to A+ we can do the testing for injection. The estimated costs are in the packet. We recommend Phase 2 be authorized in a staggered manner. The goal would be to minimize expenditures though it may lengthen the time frame by 6-8 months. Phase 3 which would consist of plant upgrades, injection and wetlands facility design is anticipated for 2012-13. She'd like Council to give instructions to staff to begin developing the scope of work with Carollo, then WEDLU would ask to be disbanded. A similar committee could be set up later to look at land use options. She suggests setting up a work session with the incoming Council so they can get a thorough understanding and the history.

Mayor Adams opened it to the public at 5:43 p.m.

J. Rick Normand, Sedona, stated he's read the Carollo report. It's a great report. There are many newer technologies that have been created in the last couple years that can accomplish Carollo's recommendations. Keep an open mind to newer technologies. One will allow the plant to become a cash generator. Lance Michigan is using this new technology. It's cut the cost of electricity needed to run the plant by 40%. They have wetlands around it with grazing animals. There are a number of ways you could convert the plant to make it a cash generator instead of a consumer. He hopes these technologies will be explored. He thinks Carollo is a great firm to work with.

Ron Volkman, asked if WEDLU explored much in terms of sale of water rights?

Anita stated we're not in an AMA so we don't have regulations on 100-year water use. Right now we don't have anyone to sell water credits to, maybe in the future.

Charles Mosley stated it's complex especially with some pending regulations coming out. SRP has some claims on water that they are making. Those represent a minor ability to use water credits we may get. The price for water is market driven. Because we're not in an AMA we don't

have the same drive for water. There are a number of uncertain factors. The need is minor but could grow so that's what we looked into.

Ron stated he nearly fell over with Burgess and Nigel? Stated the fact that we're not in an AMA didn't prohibit the sale of Sedona water rights. He remembers SRP waiving rights to municipal water.

Mayor Adams brought it back to Council at 5:50 p.m.

Councilor Frey stated Charles brought up the AMA in Prescott and Yavapai WAC, since the state has shut down anything going forward, how will we get a study on what's going on in our region? How will we get an idea of how much water we have?

Charles stated when you lose money you have to wait for it to come back.

Councilor Frey asked how can we make decisions? He thinks the water will be worth a lot if the economy comes back even if we're not in an AMA.

Charles stated we're in a holding pattern as far as getting answers on our true water deficit. We're going to have to wait on Yavapai WAC. They're making progress.

Anita stated when Prescott Valley sold their effluent they sold it to a consortium that's banking on eventually being able to sell it but it must be used within the Prescott Valley area. If we develop water credits we may want to sell part of them and save the other half for our future use. There's still a possibility down the line that we could sell some of those credits. Once we understand how much we can inject and the combination we have then Council can make those decisions.

Charles stated when we talked to ADWR, if we developed injection wells now we might lose our ability to get water credits in the future.

David Sobeck stated a water broker in the state thought the uncertainty was reason to go for that now. He thought long-term it would be of tremendous value. In order to get the credits you need to get the water to the drinking source.

Councilor Colquitt asked Carollo to respond to Rick Normand's comments on technology.

David stated the easy answer is we looked at what it would take within the existing framework of the plant to get to A+. There are other systems out there. The big challenge of getting it approved in the state. You can prove the water quality via UV testing. We didn't go outside the box on that part of the study but there are technologies out there that you could look at. He can't comment on the cost of those technologies.

Councilor Colquitt stated the bottom line is getting this water to A+ to do anything.

Anita confirmed.

David stated to do either option we're talking about now, ADWR and ADEQ are saying you'd need A+.

Anita stated we haven't determined what percentage of the land would be in wetlands. It'd depend on if we were able to do injection too. That's yet to be determined.

Councilor Colquitt asked if we'd have land left over?

Anita stated we're not talking about 300 acres of wetlands, no.

Charles stated the report shows a range of examples. Right now we use a conservative number on evaporation and seepage which is not optimum.

Councilor Colquitt asked how far does SRP's reach extend?

Charles stated we don't know. Ever since he's raised the fact that we're looking at this, the representative from SRP would say 'that's our water.' Under state law, effluent is treated differently than ground water.

Councilor Colquitt asked Anita what she wants?

Anita stated she'd like them to recommend to being wetlands Phase 1 and upgrade the UV and do the filters so we can get to A+ quality on what we have now so we can go further and look at the possibility of injection.

Councilor DiNunzio stated from a disposal point of view what's the difference between the recharge basin and wetlands?

Anita stated recharge basins didn't work because of the underlying structure. That's because of the geology.

David stated recharge basins are considered earthen basins. Wetlands you add the component of evapotranspiration – the plant life you have in the wetlands.

Councilor DiNunzio stated the maps showed a number of wetlands on Forest Service land, is that necessary for the wetlands to service the 2 million gallons?

David stated a lot of the layouts are based on conservative estimates. If you double the seepage rate, the acreage required shrinks by half. The impacts on acreage required are so dramatic based on assumptions you make, it's difficult to determine the number of acres required.

Anita stated if we decided to put wetlands out there, we'd have to go to the Forest Service. They've indicated they might be in favor of a fishing lake on their land but that'd depend on how the final plans came out. She'd recommend we keep it all on our property.

Councilor DiNunzio stated if an NSA comes into place does that take Forest lands out of play?

Anita stated we haven't looked at that.

Councilor DiNunzio stated water piped to the Verde River must be A+?

Charles confirmed. It's the least costly one, but it still requires the upgrade at the plant to A+.

Councilor DiNunzio stated he saw large numbers for creating wetlands.

Charles stated wetlands have more value than just getting rid of water through seepage. It has economic benefits.

Anita stated there are many areas in the state that have wetlands, Pinetop, Gilbert. Birding is the fastest growing sport in the nation so there are many birders who visit areas. The sewer plant is one of the best places to see birds so it'd also be a tourist attraction.

David stated an educational facility is more costly than purely disposal wetlands.

Anita stated the one in Chandler is like a little park. They have an education building there.

Councilor DiNunzio stated it's a consideration for the City from an operating budget and for Parks & Recreation.

Anita stated some of the funding from the other groups will help for development of the wetlands and educational opportunities.

Councilor DiNunzio stated so step one is you need to get the A+.

Anita confirmed and we need to establish the Phase one wetlands so we can get the information we need.

Charles stated we can develop the wetlands with B+ water, which we already have. However if we expand the wetlands, we'd need to go to A+.

Anita stated now we have ponds with water in them, but they're not truly functioning wetlands.

Councilor DiNunzio stated if we don't go A+ we're left with trying to dispose of effluent as we presently do?

Charles stated yes. Continuing as you do, there'd be a need to monitor for plugging. The acreage required would limit us.

Mayor Adams stated ADWR won't allow accumulation of water credits after an injection project has been implemented.

David stated you can't get water credits retroactively, that's the best way to say it. You can start from that point forward.

Mayor Adams asked about the effects of future regulations. If we commit to do this and regulations changes, how might that impact the injection?

Charles stated it could require higher levels of treatment.

Anita stated we discussed the fact that the contaminants now are in small amounts. We don't know what regulations might entail in the future. To do anything about it now wouldn't be in the best interest.

Mayor Adams stated we don't know what they're going to require, but there are models out there where they're removing contaminants and making potable water.

Charles stated we looked at that issue. If you assume things that aren't in evidence and you jump too far ahead you may think they'll put a numerical limit on it but that's not the only way they regulate. We have to be careful not to jump too far ahead.

David stated we have a discussion in section 3-6. The most promising technologies are UV with a chemical addition.

Mayor Adams stated it said long-term storage credits could be lost if it's found the storage water found its way to a stream.

David stated we need to prove that it gets to the aquifer and prove that it stays there. It's recommended to give it a 3-D look to ensure the water going in stays there.

Mayor Adams asked if ADWR would put die in injection wells?

David stated they might try to determine if water in one place matches water in another. That is possible.

Mayor Adams stated what is the capacity of the aquifer?

Charles stated we wanted to do testing to get reliable information.

Mayor Adams stated we need to do testing in order to make a decision. At what point does the City pursue the funding options?

Charles suggested we look for funding right away. As far as the Phase one wetlands, he'd like to start looking for a partner for that. As we enlarge he'd like to look further out for partners. The first part of the recommendation is to pursue Phase one wetlands.

Mayor Adams stated we can make a motion that it's a recommendation.

Mike Goimarac stated you can direct staff.

Anita stated you can direct staff to begin developing the scope of work for these phases, then they could come back to Council. It would take them months to do that. It'd be Phase one wetlands and Phase two for the UV expansion and the polymer.

Vice Mayor Hamilton stated we could continue to build a larger wetlands using B+ water so long as we didn't have contact?

David stated and as long as you could prove that water wasn't reaching the aquifer. You'd have to ADWR and ADEQ to make sure that water isn't reaching any kind of drinking aquifer.

Vice Mayor Hamilton asked if we could develop first phase wetlands with B+.

Anita confirmed. If we put them in the area where the rapid infiltration basins are, we know they won't infiltrate.

Vice Mayor Hamilton stated in terms of wetlands versus spray that we're doing now. If you had 10 acres of each, what's the differential between how much water disposal use you get between those two?

Anita stated that's why we want to do the wetlands and try to compare. We need the weather station which will give us a lot of information on wind speed, the amount of water that comes down.

Vice Mayor Hamilton stated the area of the investigation under the Phase one wetlands, he had a lot of questions there related to the over-study on that. We know what wildlife is out there. We've got a wetland there that nature has told us what plants grow in the area. It looks like there's a great deal less investigation out there than what need to be done, is that a correct assumption?

David stated wetland consultants wanted to take a holistic approach out there. We've talked about reducing the acres that you'd need to use. Opportunities exist to reduce the Phase one study.

Vice Mayor Hamilton stated the numbers you gave us for cost are based on an elaborate facility like Gilbert and Chandler have, but we're talking about basic minimum stuff. Pinetop-Lakeside did it for \$6,000-\$10,000 per acre. If we wanted the minimum amount, it's a lot less than the costs you give us here.

David stated based on the topography you have it'd be more than Pinetop-Lakeside, but closer in that range for a basic facility.

Councilor Scagnelli thanked Anita for her work. You're recommending Phase one of wetlands, the upgrade to the UV and polymer filter to get to A+ water. She asked Tim Ernster if some of this money is available?

Tim Ernster stated we assumed about \$10 million capital projects, assuming these projects.

Councilor Surber stated as far as the existing area we have to retrofit that or make it into a working wetlands that's 20 acres in that area. Is that a typical slice of this property that will give you the data you need?

Charles stated it will give us the data we need. Relative to the cost issue, it'll be the lower cost range of things since that's flat land. As far as evaporation, this should give us that type of information. That will allow us to know how many acres we should have. Then we'll look at regional land moving costs.

Anita stated constructed the wetlands wouldn't need to be done at one time. It can be phased in as the effluent into the plant gets larger.

Councilor Surber thanked the committee and he recommends Anita's recommendations.

Mayor Adams thanked WEDLU. He'd like to not disband them now and have them make a presentation to incoming Council.

Anita stated she'd like to do that and have a work session with the new Council. She'd hate to get too far behind because they have the momentum going.

Mayor Adams stated there's consensus to make the recommendation that we move forward with the development of the wetlands phase one project and determination of injection capacity at the wastewater plant. We recommend staff pursue immediately researching alternative funding opportunities and staff create a scope of work and a contract for Council consideration.

Vice Mayor Hamilton stated we can't make those recommendations in that type of detail until the new Council has heard this.

Mayor Adams stated the recommendation was for the new Council's consideration.

Vice Mayor Hamilton stated the work session is important. There's a substantial amount of overkill in the wetland part we don't need.

Mayor Adams stated the recommendation was the recommendation of this Council to the new Council.

Councilor DiNunzio stated does your direction include work on developing options for A+?

Mayor Adams stated this will be on the incoming council's backs. They'll be the ones dealing with it.

Anita stated let's not take too long. They have a lot of learning to do.

Councilor DiNunzio stated that's all we can do based on how this is agendized?

Mike Goimarac stated this council is making a recommendation to the new council to pursue Phase one wetlands and A+ water.

Tim Ernster stated we can schedule this for June with the new Council.

Mayor Adams stated the new Council has read this packet.

Anita stated some of them may not have the history.

Mayor Adams stated they need to make the ultimate decision.

No legal action was taken.

10 minute break from 6:45-6:55 p.m.

- 9. Discussion/ possible action regarding a resolution limiting extension of the sewer collection system for the central City of Sedona Water Reclamation Plant until December 31, 2014.**

Tim Ernster stated we discussed this in January.

Charles Mosley stated we brought forth a draft of this in January. We do have plant limitations. We were further informed of an additional limitation. We thought we had 2 million gallons processing capacity. Carollo Engineers noted that the strength of the waste was on a higher end. Based on that we have about 1.5 million gallons of reliable treatment capacity. We've been in the process of evaluating where our commitment was. We firmed up at about 1.63 million. We can't go to ADEQ and say that we have treatment capacity sufficient to treat over 1.6 million gallons per day. In light of that, this resolution is coming forward to say at least until 2014 we won't be proposing an extension of the sewer system. It's a regulatory, legal matter. This is to put it on record that this is the policy the city is pursuing.

Mayor Adams opened it to the public at 7:00 p.m.

Ron Volkman, stated he comes as a representative of the Sedona Verde Valley Realtors Association, hoping they don't pass the resolution. Effluent disposal has been talked about since 1995. It picks up steam, it goes down. There were fines by ADEQ for hundreds of thousands of dollars. That plant can't just be pushed away. It has to be upgraded and maintained to meet the future needs. Every one of the reports starts from ground one like nothing has ever been done before. The numbers are always strangely different. Nothing as extreme as a moratorium, which this would be. There should be more notice to property owners that they have no opportunity. He thought a lot more things were in process on bringing the effluent to higher grades. Even if we're at 1.2, 1.4 million gallons today, even to add 100,000 gallons a day, you'd need to tack on 500 houses. We're talking years to get to that level. Staff should work with ADEQ to work on a plan. He hopes the resolution isn't passed tonight.

Sheri Graham, stated she owns a piece of land in West Sedona that's always been in a sewer area until a couple of months ago. Even though this land sits right next door to the Humane Society and a bed and breakfast, which are both sewer. Her land is now no longer sewer. She never received a notice. She knows other property owners that this has happened to. She has a buyer who has wanted to buy it for over two years. He went to the City and came back using the word moratorium. She called the city manager and the mayor. She walked out dumbfounded. She appreciated the mayor telling her to submit papers. She was never noticed that her property was taken out of a sewer area. It's been done in an arbitrary way. She's very irritated that every speculative developer has gotten a free load on hook ups for years. If she'd been noticed she would have fought this. She felt like she was back in 1995 listening to the conversation tonight. What's the fastest way to get the capacity increased at that plant. Is it wetlands or is it injection? That needs to be asked.

Mayor Adams closed the public comment at 7:08 p.m.

Vice Mayor Hamilton stated he thought we were putting notice that we weren't going to create any Chapel projects for the next five years, rather than putting a stop on places that have already been sewer.

Charles stated this is about the fact that the sewer plant is serving a certain area of the city. We have phase 1 and 2 that have been sewer. They have sewer availability. When we look at the flow from those areas we arrive at 1.6 million gallons, which is the same as the plant capacity on

the effluent side. It appears the plant has the capacity to handle 1.5 million gallons. Because we're now aware that our level of commitment for sewer areas is at about what the capacity is for the plant to handle on both ends, we can't go to ADEQ and say someone can extend their sewer and we have the capacity for them. That's a legal statement that we can't make.

Vice Mayor Hamilton stated if someone has property in an area that's been sewer, they can still connect?

Charles confirmed.

Vice Mayor Hamilton stated we're not going to create anymore subdivision sewer projects like the Chapel. If you are in a sewer availability area you can still connect, but we're not going to extend anymore sewer projects.

Charles stated that's correct.

Vice Mayor Hamilton stated plant capacity or not, we still can't afford anymore Chapel projects.

Charles stated we're not talking money, whether or not the City does the project or a private individual, we're talking about capacity. No one else can extend the sewer system until the plant has capacity.

Vice Mayor Hamilton stated if someone out there paid the advance capacity fee thinking we were going to eventually extend the sewer there, we're saying we're not going to do that for the next five years. It looks like we can't afford to do that for 15 years. Why aren't we saying that?

Charles stated the reason we weren't putting it forth, is a Council may want to look at that in the future. One issue is coming up with new mechanisms for the sewer system, like improvement districts or shared costs. Going out a long time might handicap a future Council from agreeing to a shared cost mechanism. If we put a short time on it, it gives us time to revisit the issue. And it gives us time to make the improvements at the plant.

Councilor Frey stated what is all the money that we've approved from 2004 to approve the plant, what are we doing out there?

Charles stated we put in a new clarifier and we did upgrades to the solid handling components. Those were intended to bring it up to a 2 million gallon capacity. Carollo found that the strength of the waste was higher. Previous designs aren't good anymore because of the strength of the waste. We made improvements, but they don't meet the current need.

Councilor Frey stated so we've been playing catch up. We've never gone beyond catching up.

Charles confirmed. We thought we were ahead until we noticed the strength of the waste. Our flow meter does work. The plant has monitored the flows over the past several years. Our current flow into the plant is 1.2 million gallons.

Councilor Frey stated both Yavapai and Coconino counties have changed regulations on septic systems. Has there been a permit issued in Sedona lately? Can we find out? He'd like to know if someone can even put septic in before we make a decision.

Charles stated we can't sign a legal statement that allows people to move ahead with extensions to the sewer plant.

Councilor Frey stated there are a lot of people who have sewer by their property, how did they get excluded?

Charles stated it may have been the case of a transmission line. Until the main line was in front of the property, you didn't have sewer availability. It might just be a lateral.

Councilor Frey asked if we've talked to ADEQ about this right now?

Pat Livingstone stated we haven't discussed it with ADEQ because we haven't anticipated putting ourselves in a position to be out of compliance. We have capacity to hook up people we have made commitments to. She can't sign a certification that would have the capacity for new additions to the sewer.

Councilor Frey stated he's worried the City is going to get fined somehow. The City caused all this. There have been problems in the past and we've fought this since the city was incorporated. This is redundant. Since 2004 he's heard the same thing.

Charles stated right now we're not in violation and we're trying to stay out of violation by not making false statements. We're not under any kind of decree. This would be intended to keep us out from under any of those types of actions because we're living within our guidelines.

Mayor Adams stated is there ability to look at exceptions to the case where it makes common sense to allow a property to connect.

Charles stated before we do that we could append something to it to direct staff to see if there's some sort of relaxation. We could talk to ADEQ about the development pattern of the city. We may be able to legally find extensions.

Mayor Adams stated he doesn't want to do this at the expense of not allowing a common sense connection.

Charles stated we could look into that if we're directed. We don't want to be put in a position where we're telling ADEQ something they don't see as common sense. We need approval of this but included, direction to staff to pursue with ADEQ some kind of mitigation of the strict standard of capacity.

Mike Goimarac stated he doesn't have the expertise to know what type of mitigation we want. The policy is to give notice that we won't be adding expansion of big new developments. That cuts people off like Ms. Graham. He's concerned that passing the resolution solidifies things with ADEQ. Maybe it'd be better to pursue the mitigation with ADEQ and incorporate that into the policy before we pass it.

Mayor Adams stated we'd defer until we have dialog with ADEQ to find out our options.

Mike Goimarac stated we can go to ADEQ and say we need 1,000 gallons we can work with, he thinks they'd see the common sense of it.

Charles stated that statement cannot be signed while we're talking to ADEQ so de facto there will not be extensions. As long as that's understood, we can go to ADEQ.

Mayor Adams stated he agrees with Mike Goimarac to error on the side of caution and go to ADEQ first. If there isn't an immediate urgency.

Charles stated it doesn't matter if it's large or small. It's a matter of the extension exceeding what we already know.

Mike Goimarac stated he agrees with Charles. He has facts in front of him. He can't represent someone wanting to extend the sewer. We do have a de facto policy, he agrees with that by virtue of their hands being tied. As long as Council understands he can't sign any approvals in the interim.

Council agreed they understand.

Councilor Scagnelli stated she has no problem with the de facto. We've talked about the people in the Chapel not having to connect right away. Could another property owner trade them.

Charles stated the current ordinance doesn't allow that kind of trading. The type of system to document that would take work to develop. Many places don't allow trading. At the end of the day, your obligations must match your capacity.

Councilor Scagnelli stated maybe we'll need someone to finally enforce us.

Councilor DiNunzio stated we're talking about this because of the tests.

Charles stated we're talking about it because the effluent disposal is finally catching up.

Councilor DiNunzio stated because of the test our capacity dropped, could you tell us more about the test?

Charles stated it was a model test best on the constituents of our waste. It shows our capacity is not over 2 million gallons.

David Sobeck stated there was a model run. The real issue was the quality of the wastewater sample. We questioned the results we saw because the strength of the waste. We ran it again and the data was consistent. Prescott and Prescott Valley are seeing similar issues. We ran a very detailed process model that indicated where what components you were short on. You are at capacity, that 1.5 is using all your existing basins.

Charles stated the improvements are estimated at \$5.3 million. It would take 2-3 years.

David stated the design could be based similarly on what you have now. If you have a contractor to come on board quickly and do it, they could do it as quickly as 6 months.

Councilor DiNunzio asked if they feel they need to say something to ADEQ even if they can fix this in a year?

Charles stated yes. We'd be in a better position if we could explain to them what the process is in place.

Councilor Colquitt stated she's not sure the right hand is sure the left hand knows what it's going to do. She's not going to vote in favor of the resolution.

Mayor Adams stated it's understood we have a de facto on connection. So that's understood without approving a resolution.

Charles stated yes.

Mayor Adams stated the direction would be to have staff go to ADEQ and talk about giving us some leniency in connections.

Pat stated she understands they're asking them to go to ADEQ and ask for permission to extend sewer beyond what they can treat.

Mayor Adams stated we're moving down the road for increasing our capacity for treating effluent.

Mike Goimarac stated what we're saying is our plant capacity prohibiting us from expanding our sewer lines to other areas. People who live next to a sewer line will be able to connect to the sewer because that property has been contemplated. The exceptions are probably very small and minor. Hopefully ADEQ will give us some minimal lee-way.

Mayor Adams stated we're moving forward without approving the resolution.

10. Discussion /possible action regarding approval of an Intergovernmental Agreement File No. 09-190I and a resolution between Arizona Department of Transportation and the City of Sedona regarding City cost participation for survey related to improvements at Posse Ground Road, and pavement preservation work along Mountain Shadows and Northview Road and affirmation of proceeding with element 6 of Posse Ground Traffic Mitigation Plan regarding right in/right out turn movement at Posse Ground Road as presented at April 26, 2006 City Council meeting.

Charles stated it's an IGA with ADOT it's in relationship to the SR89A pavement rehabilitation project. Staff requests they include paving on Mountain Shadows and Northview Road. We included some survey analysis costs they need to do as part of doing this work for us. The other issue is a right-in, right-out at Posse Ground. It's been discussed by a previous Council. They said we could pursue the issue, but they wanted to see what was happening with Soldier Pass Road. Nothing is happening with Soldier Pass Road, so this would help reduce the cost for us now. The intersection of Posse Ground and 89A is close to the intersection with Oak Creek and 89A. It's been decided that Posse Ground would best be made right-in, right-out. It's a dangerous intersection. ADOT did proceed with the design of that intersection if Council doesn't approve of it, the ramification is ADOT wouldn't be able to do the right turn lane and wouldn't take care of a right turn issue. They'd strictly do their overlay there.

Mayor Adams opened it to the public at 7:48 p.m.

Caroline Oreel, Sedona, she sent a letter a couple weeks ago, so she won't repeat those issues. She's fortunate to raise a family here and owns a small business. This will damage her income and it's a question of animal welfare and safety. She had an animal hit by a car yesterday, if they have to drive up Soldiers Pass and around, it's a lot longer. She feels like the traffic problems noted before have been improved by improvements at Carruth Road and speed bumps. Based on the budget, this will cost more than \$500,000. It's going to cost them more than \$1 million to make that right turn lane. She asks Council to re-evaluate this option and consider compensation for loss of income.

Dale Casey, Sedona, stated the San Patricio homeowners association. We've been working with the city for years trying to mitigate traffic and noise. The city finally did some things we recommended such as changing the intersection at Carruth Road and Posse Grounds Road. They've also lowered the speed limit going into the park to 15 mph. We've noticed a decrease in the amount of traffic going through our subdivision. In the evening after Little League games are over, many people blow through the stop sign. It also happens in the morning and afternoon when parents are picking up and dropping off their kids. After much consideration on this proposed change to Posse Grounds and 89A, he thinks that would have a negative effect on Mission Hills. Residents of San Patricio would have to go through Mission Hills to get to the light to turn left on 89A. Our association has decided not to support this change. The easiest solution would be to change the entrance to the park to one-way going into the park up to the entrance of the soccer field. It wouldn't affect the businesses.

Fred Oreel, Sedona, stated he owns 100 Posse Ground Road, the Sedona Animal Clinic. His concern is the value of his property. Accessibility is a big part of valuing a piece of property. No left turn is terrible. It doesn't make any sense for a business property or a residential property. You're going to be going around in circles. It's going to reduce the value of his property. It makes more sense to him to solve the whole damn problem. Don't pay for pieces.

Lisa Dahl, Sedona, stated the people before us stated the objections we have. They've been buying the property for a number of years at the corner of Posse Ground and 89A. It hasn't been easy to afford to buy that lot all these years. Our hopes have been to do what they've done with our other businesses. They bought it for the purpose of putting in a great little shop and bringing something of aesthetic value to that piece of vacant land. It's a postage stamp sized lot to begin with. They're seeing it be consumed by the situation that APS brought to our attention that our setbacks have to be pushed back further. They have gigantic electrical boxes on our property. There's nothing we can do about it. Now they have to push them further back into our property. If the right-right turn lane is the only option and it's approved, she thinks it destroys all the potential commercial liability. They still owe a lot of money on that lot. They'd surrender. Maybe the City could purchase the lot from them. They're basically screwed.

Mayor Adams brought it back to Council at 8:03 p.m.

Councilor Frey stated he's not voting for this. Why are we even discussing this. The new Council has already said they have different plans for 89A.

Charles stated there are two issues, one is approval of the IGA for the overlay project, and the other is the right-in, right-out.

Councilor DiNunzio stated his concern with making it right-in, right-out, will make a left and make a U-turn as soon as he can. The safety issue will remain. He doesn't like the idea of putting more traffic on Mountain View. It's not conducive for through traffic. There are blind intersections.

Councilor Colquitt stated she's going with the neighborhood and the vet in saying no.

Councilor Surber asked if there were studies done on putting a left-hand in?

Charles stated no, prohibiting the left would improve the safety. If we eliminate the right-in, right-out, we might as well eliminate the whole intersection change. People also complained of being thrown over a hump when they turn onto Posse Ground Road. If we take it out, it won't address this issue.

Councilor Surber stated Soldier Pass/Carruth Road intersection alleviated a lot of problems there. This solution will put more traffic through the neighborhoods and he doesn't approve it.

Councilor Scagnelli stated she's always had concerns with that intersection. She agreed with Councilor Surber about Carruth Road helping. She thought we'd allow left-in still. Now she's not sure that it's the right thing to do. If you can get to the business easily people will still go. She's not sure this is what needs to be done there.

Vice Mayor Hamilton asked how much we've spent so far?

Charles stated ADOT did the design for us. He asked if we could have the design if we elected not to go forward with it. We saved the design costs.

Vice Mayor Hamilton asked if we have a commitment with ADOT?

Charles stated we have a commitment that's in the current IGA. If we cut it off now we'd have no further commitment. If we cut it off, the problem continues. If someone has an accident there we'd say we elected not to do anything about it.

Vice Mayor Hamilton asked if there are other options?

Charles stated it was proposed to look at a roundabout at that location in the Soldier Pass plan.

Mayor Adams asked why would there have to be a right turn lane there?

Charles stated they were looking at a hump that throws things off. They're also looking long-term. There'll be a right turn coming up for KFC and they thought it should just continue.

Mayor Adams stated we have misalignment of the road on the north south side. There is a traffic issue there if one is turning north and one is turning south it creates a problem. He has a problem with the right turn lane. Why couldn't we fix the hump?

Charles stated that was one of ADOT recommendations on the right turn lane. A right lane makes sense from an engineering stance. He can ask them just to fix the hump, but it's been looked at. ADOT has said they cannot change the intersection. They'll just leave it the way it is.

Councilor DiNunzio asked if they'll allow the ingress/egress to remain, put in the right turn lane and fix the hump?

Charles stated no, there are some drainage issues that the right-in, right-out facilitated. The island that would be on Posse Ground would help direct the drainage. There were good engineering reasons for why they did what they did. When we did the Posse Ground study we looked at everything from one way to cul-de-sacs. We came up with the Posse Ground plan and a lot of those items fell out.

Vice Mayor Hamilton stated in any sort of redevelopment scheme it'd seem a roundabout would encourage more people to go up Posse Ground Road. Is this a no-win situation?

Charles stated people have asked for improvement at that intersection. The question is, do we want to make those improvements or do we want to leave it alone for now?

Tim Ernster stated if you approve the resolution you approve the IGA in the first action you'll accomplish.

Motion: Councilor Frey moved to do nothing at this time. Councilor Scagnelli seconded. Vote: Motion fails one (1) in favor and six (6) opposed. (Frey in favor).

Councilor Scagnelli stated you still need the resolution for the pavement preservation?

Charles stated a motion to do nothing is not to approve the IGA either.

Vice Mayor Hamilton stated we'd still do the pavement work if we approve the IGA right?

Charles stated the thing on Posse Ground is survey work they'd stop when we told them we don't want the right-in, right out. You wouldn't have to exclude that in the motion. They did all their survey work as one big survey item.

Motion: Vice Mayor Hamilton moved to approve Resolution 2010-10 authorizing the Mayor execute an Intergovernmental Agreement (IGA File No. 09-190I) with the State of Arizona Department of Transportation (ADOT) and the City of Sedona regarding City participation in survey and pavement preservation costs related to Posse Ground, Mountain Shadows, and Northview Roads, subject to final review and approval of a written agreement by the City Attorney's office. Seconded by Councilor DiNunzio. Vote: Motion passes with six (6) in favor and one (1) opposed (Councilor Frey opposed).

Vice Mayor Hamilton moved to request that ADOT reconstruction of SR89A allow both right and left turns. Seconded by Councilor DiNunzio. Vote: Motion carries unanimously with seven (7) in favor and zero (0) opposed.

11. Presentation/discussion on a status report on the Arizona Centennial 2012 in Sedona by the City of Sedona Historic Preservation Commission.

Kathy Levin stated last November Council directed the commission to coordinate the Centennial 2012. The commission has met four times since then. It only has four members right now. It's addressed overarching guidelines, a timeframe, a theme, a logo project, several key projects, a community event on February 14, 2012 and our potential partners.

Chair Brynn Unger stated we'll be coming back on a regular basis. We have no or low budget, a tie into existing events, a strive for authenticity. The state is cutting off any events at the actual date of February 14, 2012. Some of the people want to extend that. The time frame will be September 2011- through and beyond February 2012. We're also considering having all the organizations come back to us by January 2011. The theme is Sedona Century. We'd like to have a logo design competition with middle and high school students. Yavapai County is asking most schools to come up with a stamp used on mail coming to Sedona. We're going to visit the schools and talk to the principals. We're thinking of having historical fiction in the schools. The State is asking communities to come up with a legacy project. We've decided to talk to Arts & Culture about the art in the roundabout and have that maybe be our centennial project. Already we've talked to the Film Festival, they want to do a week-long series of Westerns shot in Sedona. We're talking to Main Street Program about the St. Patrick's Day parade in March 2012. The State will publish some of these events so we get some free publicity from it. We'd want to work on the city's web page. We've only had about four meetings.

Mayor Adams stated it sounds like you've made some great headway. He suggested talking to the Sedona Community Fair. You've done a great job.

No legal action was taken.

12. Presentation/discussion/possible action on intergovernmental relations with the Arizona Legislature.

Alison Zelms stated the legislature adjourned its second regular session. They had 1,233 bills, 352 were passed and transmitted to the Governor, 283 of those have been signed, 6 have been vetoed. She has until midnight tonight to sign the bills or allow them to become law without her signature. The League will come out with their new laws report this week, we'll make sure you receive that. SB1239 was city sales tax was defeated late in the session. HB2478 resolved an existing legal issue that placed a moratorium on Development Impact Fees. HB2246 allowing fire works to be bought and sold, allows city's to create their own rules. The Governor signed that yesterday.

No legal action was taken.

13. Discussion/possible action on future meeting/agenda items.

Mayor Adams stated the next meeting will be tomorrow at 4:30 p.m. for a budget session and the SB 1070 discussion at 5:30 p.m. The next regular Council will be May 25 and the new Council will be seated. Tim Ernster's review will be May 20 at 4:30 p.m.

No legal action was taken.

14. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. §38-431.03(A)(3).
- b. Discussion or consultation with legal counsel in order to consider its position and instruct its legal counsel regarding the City's position in the following pending or contemplated litigation or contracts that are the subject of negotiation, or settlement discussions in order to avoid or resolve litigation per A.R.S. §38-431.03(A)(4), specifically:
 - i. Sedona Grand L.L.C., v. City of Sedona, Yavapai County Superior Court Case No. 820080129.

Following any discussions in executive session of the above matters, the City reserves the right to discuss and/or act on any of the above listed legal matters in open session.

No executive session took place.

15. Return to open session. Discussion/possible action on executive session items.

No executive session took place.

16. Adjournment: Mayor Adams adjourned the meeting at 8:39 p.m. without objection.

Respectfully submitted,

Alison Carney, Recording Secretary